From:

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To: Date: Microsoft ATR 11/17/01 12:49pm

Subject:

Microsoft Settlement

Hello,

Some comments regarding the proposed settlement.

According to an article at USAToday.com, "The Justice Department also considered trying to force Microsoft to sell a stripped-down version of Windows that did not include built-in software for browsing the Internet, reading e-mail, listening to music or sending instant-messages."

I believe that you should have pursued this approach for several reasons. I use both the Windows and Apple Macintosh Operating Systems on a regular basis. Both of these products offer bundled software, which I would agree benefits the consumer. It is the way in which Microsoft leverages the bundled software that highlights Microsoft's abusive behavior.

The following outlines some of the key differences in the way software is bundled by these two leading operating system providers:

Internet Explorer (Microsoft product available on Both MacOS and Windows) On a macintosh, if a web site address is entered into Internet Explorer incompletely (e.g. news vs. www.news.com) the browser assumes and correctly takes the user to the requested site (e.g. www.news.com).

On Windows, incomplete web address entries take you to a Microsoft-branded search site.

Conclusion: The bundled web browser on Windows gives Microsoft an unfair advantage on promoting it's web properties.

Software Update Features

On the Macintosh, there is a program called "Software Update" that logs onto an Apple Computer FTP server and provides the user with a list of updated system software. The user selects the updates and the "Software Update" program downloads and installs the new software accordingly.

Windows offers the same feature called "Windows Update." "Windows Update" REQUIRES that a user connect with Internet Explorer to update their system software. Instead of a separate program, like Apple Computer offers for the same software update ability, Microsoft requires the use of Internet Explorer to perform these actions.

Conclusion: On the Macintosh, If I remove Internet Explorer and decide

to use Netscape, it doesn't take away my ability to update my system software. On Windows, even if a user "chooses" to use the Netscape Browser, they must still rely on Internet Explorer for keeping their systems up to date. Microsoft could have easily separated this update feature from the Browser, but chose to mandate that everyone keep a copy of Internet Explorer on their machines for this purpose.

Instant Messaging

On the Macintosh, a user can choose from many different instant messaging clients. There are no Instant Messaging clients installed by default - the user is free to evaluate, download and use their preferred Instant Messaging Client.

Microsoft's new "Passport" user authentication plan is being closely tied in with their Instant Messaging client, which is the default Instant Messaging client on Windows. They plan to require that a web user that wishes to visit a Microsoft-branded site have a valid passport account. If they succeed in making Passport a standard for web authentication, they will essentially force everyone to have a copy of their Instant Messaging product installed in order to gain access to web sites.

Incidentally, integration with Microsoft Passport is touted as one of the key new "features" of MSN Messenger 2.0 for Macintosh. Why does this matter? It means that if Passport becomes the web-authentication standard, they'll be able to become the market share leader for Instant Messaging clients on the Macintosh platform as well as Windows.

Conclusion: This approach is similar to the software update feature - a back door approach to making a bundled product the market share leader since everyone is essentially required to have the product installed.

Summary

These are just a few of the ways in which Microsoft uses its bundled software in monopolistic ways. Bundled software is not the problem with Windows, it is how Microsoft leverages its bundled software. A user shouldn't have to keep Microsoft's version of a product on their machine to perform operating system functions if they decide to use a competitive product. Even in the midst of the DOJ inquiry, Microsoft continued down the path of leveraging its bundled software.

I believe that there are two primary remedies for this fundamental problem:

1. Prevent Microsoft from bundling software and allow computer users to make real choices in selecting software. (Put another way - Force Microsoft to sell a stripped-down version of Windows that does not include built-in software for browsing the Internet, reading e-mail, listening to music or sending instant-messages.)

2. Mandate that Microsoft discontinue the practice of tying non-related features together to essentially require that their products be installed even if a user chooses a competitive product.

The second remedy would be difficult to oversee and enforce, making the first remedy a seemingly preferred approach.

Sincerely,

John